



6450-01-P

DEPARTMENT OF ENERGY

Western Area Power Administration

Pick-Sloan Missouri Basin Program--Eastern Division-Rate Order No. WAPA-168

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Extension of Transmission and Ancillary Services Formula Rates.

SUMMARY: The Western Area Power Administration (Western), a power marketing administration within the Department of Energy (DOE), is proposing to extend the existing transmission and ancillary services rates for the Pick-Sloan Missouri Basin Program--Eastern Division (P-SMB--ED) through December 31, 2016. The existing Rate Schedules UGP-NT1, UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7, and UGP-TSP1 expire on December 31, 2014. Publication of this Federal Register notice begins the formal process for the proposed extension of the formulary rates.

DATES: A consultation and comment period will end on **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Western will accept oral and written comments any time during the consultation and comment period. In accordance with 10 CFR 903.23(a), Western has determined it is not necessary to hold a public information or public comment forum.

ADDRESSES: Send written comments to: Mr. Robert J. Harris, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, Montana 59101-1266; or e-mail: UGPISRRate@wapa.gov. Written comments may also be faxed to: (406) 255-2900, attention: Linda Cady-Hoffman, Rates Manager. Western will post official

comments received via letter, fax, and email to its Web site at:

<http://www.wapa.gov/ugp/rates/default.htm> after the close of the comment period. Western must receive written comments by the end of the consultation period to ensure they are considered in Western's decision process.

FOR FURTHER INFORMATION CONTACT: Ms. Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, Montana 59101-1266; telephone: (406) 255-2920; e-mail: cady@wapa.gov.

SUPPLEMENTARY INFORMATION: By Delegation Order No. 00-037.00A, effective October 25, 2013, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to Western's Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission.

The existing rate schedules consist of separate rates for firm and non-firm transmission rates and ancillary services rates for the transmission facilities in the P-SMBP--ED, which are integrated with transmission facilities of Basin Electric Power Cooperative and Heartland Consumers Power District such that transmission services are provided over an Integrated System (IS). The rates are sometimes referred to as IS Rates. Rate Schedules UGP-NT1, UGP-FPT1, UGP-NFPT1, UGP-AS1, UGP-AS2, UGP-AS3, UGP-AS4, UGP-AS5, UGP-AS6, UGP-AS7 and UGP-TSP1 were approved under Rate Order Nos. WAPA-144 and WAPA-148¹ for a 5-year period beginning on January 1, 2010, and ending December 31, 2014.

¹ Rate Order Nos. WAPA-144 and WAPA-148, 74 FR 68820, December 29, 2009; 132 FERC ¶61,257, FERC Docket No. EF10-3-000, September 23, 2010.

The existing transmission and ancillary services rates provide adequate revenue to pay all annual costs, including interest expense, and to repay investment within the allowable period. The rates are calculated annually to ensure repayment of the project within the cost recovery criteria set forth in DOE Order RA 6120.2.

Western is proposing no change at this time to the rate formulas. Since no changes are anticipated to the formulas and the existing formulary rates provide sufficient revenue to recover all appropriate costs, Western proposes to extend the current rate schedules through December 31, 2016, pursuant to 10 CFR 903.23(a).

All documents made or kept by Western for developing the proposed extension for the rate schedules are available for inspection and copying at the Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101-1266. These documents are also available on Western's Web site at:

<http://www.wapa.gov/ugp/rates/default.htm>.

After review of public comments, Western will take further action on the proposed extension of formulary rates consistent with 10 CFR part 903.

Dated: July 23, 2014.

Mark A. Gabriel,
Administrator.

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